GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3823
ANSWERED ON:23.12.2004
SCRAPPING OF WAREHOUSING FACILITY
Yadav Shri Anirudh Prasad (Sadhu)

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Minister of Finance has scrapped warehousing facilities that allowed oil firms to move petro products from their refineries to storage terminals without paying excise duty;

(b) if so, whether due to said notification petro exports has suffered; and

(c) if so, the details in this regard?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c) : Yes, Sir. The warehousing facility of removal of petroleum products from the refineries to warehouses or from one warehouse to another warehouse without payment of duty has been withdrawn with effect from 06.09.2004. However, as an export facilitation measure, with effect from 08.09.2004, Ministry of Finance have extended the export warehousing facility to all exporters of petroleum products and without any restriction onplaces where the export warehouses can be established and registered. Exports of petroleum products to Nepal Oil Corporation Limited were affected during the three days, 06.09.2004 to 09.09.2004. However, steps have been taken to restore supplies thereafter.